

APPENDIX E

WAVERLEY BOROUGH COUNCIL

EXECUTIVE - 4 OCTOBER 2011

Title:**GRANTS REVIEW SPECIAL INTEREST GROUP – FINAL REPORT****[Portfolio Holder: Cllr David Munro]****[Wards Affected: All]**

Summary and purpose:

At its meeting on 25 January 2011 the Executive agreed that a detailed review of Waverley's grants be undertaken in preparation for the 2012/13 budget. A Member Special Interest Group has met 6 times and completed its work.

This report summarises the work of the SIG to date and makes observations on the way in which Waverley funds voluntary and community groups.

How this report relates to the Council's Corporate Priorities:

Waverley supports a wide range of voluntary and community organisations that provide services and amenities to our local communities. Through these groups Waverley contributes to improving the lives of individuals who directly benefit from services provided

Equality and Diversity Implications:

The support provided to voluntary organisations helps to provide for groups and individuals who might otherwise be excluded from opportunities to enjoy activities and receive essential services. Many voluntary and community groups have specific activities that enhance social inclusion. Waverley's Partnership Agreements with the voluntary and community sector have specific clauses promoting equality and diversity issues.

Environment and Climate Change Implications:

Many social enterprises and community groups undertake activities that have a positive effect on the environment and some funded by Waverley have a specific environmental remit.

Resource/Value for Money Implications:

There are no direct financial implications associated with this report although there are some suggestions for the future operation of the Waverley Community Partnership and Waverley Voluntary Grants Partnership schemes.

Legal Implications:

There are no legal implications with this report.

Whilst not a legal requirement, Waverley is a signatory of the Surrey Compact, and as such has given an undertaking that it will provide adequate notice (generally being at least six months) to voluntary sector groups of any significant changes in the level of support they might expect to receive or to apply for from the Council. From a Compact perspective it would be important to begin detailed discussions with organisations at the earliest stage to implement the observations that may be approved within this report.

Introduction and Background

1. At its meeting on 25 January 2011, the Executive agreed to undertake a detailed review of Waverley's grants in preparation for the 2012/13 budget. A Member Special Interest Group (SIG) was established to undertake the review. The SIG also referred to the report and work of the Community O&S Member Task and Finish Group which carried out an in depth review of the Council's approach to working with and funding the voluntary sector in the period January-March 2010. The observations and recommendations of the Task and Finish Group were reported to Community Overview and Scrutiny Committee on 17 January 2011.
2. The SIG met 6 times in the period June-September 2011. This report summarises the SIG's key discussion points and details their observations on the future way in which Waverley could fund voluntary and community groups.
3. Service Level Agreements
 - Organisations receiving substantial levels of grant funding of circa £10,000 and over, should be asked to sign up to a Service Level Agreement (SLA). This approach would define relationships more clearly, be specific about the outcomes to be delivered and cover the monitoring of service delivery, which would be more robust than the current Partnership Agreement.
 - Some organisations would need reassurance that movement to a SLA would facilitate their operations and that they would have full input into the process. Some organisations would also need assistance in the transition. The SIG felt accordingly that a pilot scheme could help address some of the issues that may arise when moving other organisations to a SLA arrangement. HOPPA, Farnham Maltings and Citizens Advice Waverley have been identified as being best placed to make any transition sooner rather than later and they could be funded under a new arrangement from 1 April 2012.
 - The Council has written to the trustees/managers of other organisations currently receiving more than a £10,000 grant to advise them of the proposal to move most grant-funding in excess of £10,000 to a SLA arrangement from April 2013. Organisations were invited to provide feedback on the SIG's proposals and a number of organisations have responded.
 - SLAs should last 3 years, giving a firmer commitment to fund organisations, and that a 3 year intention to fund should be investigated as part of any

agreement. Agreements should, however, include appropriate break points to fit in with the annual budget process. SLAs should reflect the nature and ethos of the individual organisations and a 'one size fits all' approach should be avoided.

- The SIG suggested holding a workshop for voluntary sector organisations to explain Waverley's new approach to grant funding. This could be held in the autumn to coincide with the opening of the 2012/12 Waverley Community Partnership Funding round, and include potential new applicants to the grant process.
- The SIG recognise the ongoing work of link officers and Member Representatives in supporting partner organisations. These are important roles and it may be helpful to work with voluntary sector partners to clarify their expectations of the level of involvement that link officers and Members are able to offer.

4. Older People's Day Centres

The SIG recognised the anomalies in the overall levels of financial support for the day centres and that they needed to be addressed. Members reviewed a comparative analysis of the accounts (to 31 March 2010) of the day centres which clearly showed the varying levels of financial support that Waverley provides in addition to its grant. Members referred to the work of the Task and Finish Group in 2010 and that they would like to see positive steps taken to make the true level of Waverley's revenue support for the day centres more transparent, and to address the difference in the overall level of revenue support. The SIG also referred to the In Depth Review on Day Centres that had been carried out in 2008.

The SIG made the following observations for future work:

- The 5 grant-funded day centres and Age Concern Waverley should be visited to find out more about the services they provide and the issues they are facing. Visits have been arranged for October.
- 1:1 sessions should be held with the day centres and Age Concern Waverley throughout the next 18 months to prepare them for a move to a SLA funding approach and agree performance indicators.
- Some of the day centres have specific premises issues which need to be resolved, and it is suggested that the Portfolio Holder for Economic Development and Community and officers would need to meet with them to explore possible solutions.
- Actions need to be determined to regularise some of the funding anomalies in relation to Age Concern Farncombe and Brightwells Gostrey Centre. With this objective a rental agreement should be drawn up between the Council and both organisations, which would clearly set out their responsibilities for repairs and maintenance for the future. The service charges which both organisations pay to Waverley need updating to reflect increased costs as they were agreed in 1997. Waverley's responsibilities for paying the utility bills for Brightwells should be clarified and possibly absorbed within their annual grant or paid as a separate utility grant which could be capped.

- Fundraising between the 5 centres varied greatly. The Council should develop closer working with the centres to help ensure they are working as effectively as possible to fundraise and secure funds from other sources. In addition, it was felt that the day centres could work more closely together in order to collectively address common problems. Officers would support the day centres to set up regular meetings between the centre managers to increase partnership working.

5. Voluntary Action South West Surrey (VASWS)

- Voluntary Action South West Surrey is a Council for Voluntary Service which provides infrastructure support for voluntary and community organisations. VASWS was awarded a lottery grant of over £400,000 to develop the organisation but this funding will cease in April 2012. The SIG noted the financial issues that VASWS will be facing after April 2012 and the fact the Waverley is the only authority in Surrey not to fund its CVS.
- The SIG was generally supportive of VASWS's work and recognised that there are opportunities for the Council to work more closely with them in future to deliver corporate objectives. However, it is important to clearly identify the outcomes that VASWS delivers in the borough. Officers will be submitting a future report setting out proposals for Waverley's potential future work with VASWS and its funding issues.

6. Arts organisations

The SIG noted that a Culture SIG is reviewing arts provision in the borough and that a future report will be submitted to the Executive. The SIG felt that it may be necessary to reduce the grant awards for arts organisations within the overall budget of the Waverley Community Partnership next year but that their finances would need to be examined closely to identify the impact of any possible grant reduction.

7. Meals on Wheels

- SIG members felt that the WRVS provided a tightly managed, professional service, and was good value for money, not least because of their ability to recruit and retain volunteers.
- Waverley awards a grant of £60,000 to WRVS to provide the service and receives a contribution of £30,000 back from Surrey County Council. In addition, Waverley contributes towards the premises/overheads, resulting in a net cost of the service to Waverley of £42,410 in 2010/11.
- Their performance is monitored quarterly with Surrey County Council and the service has been identified as a good model for service provision.
- The SIG were interested to know what general principles might be learned from this SLA-based arrangement to take into negotiations with other organisations.
- The service operates out of Brightwells Gostrey Centre and discussions are taking place with WVRVS asking them to take the lead in identifying alternative premises in preparation for when the East Street development is completed.

8. Waverley Community Partnership

- The SIG agreed in principle with the overall process of the Waverley Community Partnership for 2012/13 and a separate report has been prepared seeking Member's approval to open the 2012/13 funding round. The SIG agreed that the paperwork and administration of the scheme should be reduced.
- The SIG agreed that the scheme should continue to operate from 2013/14 but should offer smaller grants of below £10,000. The bureaucracy to complete an application was too great for organisations receiving smaller grants and a simplified annual small community grants scheme should be introduced. The application form and procedure should be simplified to reflect the smaller levels of grant on offer.
- For the 2012/13 funding round, three organisations (HOPPA, Farnham Maltings and Citizens Advice Waverley) will be taken out of the bidding round as part of the pilot scheme to introduce SLA's. Their funding will, however, still be impacted by the overall 12% reduction that is forecast in the grants budget.

9. Waverley and Guildford Voluntary Grants Partnership (WVGP)

- The Waverley Voluntary Grants Partnership was previously a tripartite grant scheme to which Waverley, Surrey County Council and NHS Surrey contributed funding.
- There have been difficulties surrounding the 2011/12 grant round due to the uncertainty around whether NHS Surrey would participate in the partnership. NHS Surrey initially cut their contribution by 25%, subject to additional adjustment to take account of schemes being commissioned under contracts with the voluntary sector, resulting in a further cut to their contribution.
- NHS Surrey will withdraw from the Voluntary Grants Partnership from 30 November 2011. VASWS has lodged a complaint through the National Compact Advocacy Project as a result of NHS Surrey's withdrawal from the scheme at short notice and without consultation: dialogue is ongoing.
- Surrey County Council (Adult Services) remains keen to continue the joint funding arrangement with Guildford and Waverley Boroughs. The SIG was similarly supportive of the scheme and felt that it was important to continue the arrangement through the transition to GP Commissioning. In the meantime, it has been necessary to review the WVGP funding criteria to exclude purely 'health' objectives.
- It is possible that Waverley's contribution would have to be reduced by up to 12% in 2012/13, in line with the Waverley Community Partnership budget, to ensure consistency. However, the SIG felt strongly that Waverley should maintain its involvement with the WVGP, albeit with reduced funding.

Conclusion

10. The SIG recognised the crucial role of the voluntary sector in the borough, and the importance Waverley puts on developing its role and building good relationships.

11. The SIG recognised that their observations would represent a significant new approach to the way in which Waverley funds community/voluntary organisations. The Council has written to all funded partner organisations and Town and Parish Councils as part of its continued dialogue informing them of the SIG's observations. Annexe 1 summarises the feedback received. If the SIG's observations are agreed, there would be more consultation and work to be done with partner organisations to prepare them for any new funding arrangements and to retain their trust. The observations mirror those of other funding agencies that are also preparing to move many grant-funded voluntary and community organisations to a Service Level Agreement approach so that they can commission for services. The SIG's observations could help Waverley organisations be better prepared to bid for those funds and to provide services.
12. The SIG felt that, to ensure transparency, that all grant-funding to voluntary and community organisations should appear in one budget section, falling under one service head.
13. To summarise, the SIG's observations are as follows:
 1. Organisations receiving grants of circa £10,000 and over should move to a 3 year SLA from April 2013.
 2. Run a pilot scheme to fund 3 organisations through a 3 year SLA from April 2012 (HOPPA, Farnham Maltings and Citizens Advice Waverley).
 3. Second phase for 2013/14 to fund Age Concern Waverley, 5 day centres, Disability Challengers, Cranleigh Arts Centre through a 3 year SLA.
 4. Run a workshop in the autumn 2011 for existing partners and potential new applicants.
 5. Establish more firmly the role of link officers and Member Representatives.
 6. Resolve outstanding issues with the 5 day centres including rental agreements and utility costs with Age Concern Farncombe and Brightwells Gostrey Centre.
 7. Explore ways of helping the day centres develop, individually and collectively, to become more robust and self-sustaining.
 8. Report to the Executive on the findings of the continued work with the day centres.
 9. Explore opportunities of working more closely with VASWS to deliver specific outcomes.
 10. Await the outcomes of the work of the Culture SIG in relation to support for arts and cultural organisations.
 11. Continue the current arrangements with WRVS to deliver a Meals on Wheels service.
 12. By the 2013/14 Waverley Community Partnership grant-funding round, to make the clear distinction between small community grants and service level providers.
 13. That the application form and process for the small community grants scheme in 2013/14 should be simplified to reflect the smaller levels of grant on offer.
 14. Continue to support the WVGP in partnership with Surrey County Council (Adult Services) and await further development in relation to GP commissioning.

Recommendation

Members of the Executive are asked to note the report and work of the SIG and that their observations and identified areas for future work should be taken forward as recommendations for consideration.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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